

(Washington, D.C.) - Congressman Ciro D. Rodriguez (TX-23) applauded passage of H.R.3121, the Flood Insurance Reform and Modernization Act of 2007, reauthorizing the National Flood Insurance Program (NFIP) for five years through FY 2013. The legislation provides for reforms to the NFIP, improves flood mapping, and expands the NFIP to provide for multiple peril coverage. The bill passed 263 - 146.

"Many of the severe flaws in the National Flood Insurance Program we saw in the catastrophic aftermath of Katrina in 2005 have been addressed by the legislation passed today," said Congressman Ciro Rodriguez. "This bill ensures that homeowners across the country will continue to have access to affordable flood insurance. Many areas I represent, including El Paso, Medina, Bexar, and Zavala Counties have been significantly affected by recent flooding, and I applaud passage of this bill by the U.S. House to ensure the long term viability of flood protection for homeowners."

Highlights of H.R.3121, the Flood Insurance Reform and Modernization Act of 2007, include:

- *Ensuring the program's continued viability by encouraging broader participation.* To encourage participation in the Flood Insurance Program, the bill provides for a new community outreach program, and provides for a study of how to increase participation by low-income families. In order to help ensure that those homeowners who should have flood insurance do have flood insurance, the bill increases the fines on lenders who do not enforce the mandatory flood insurance policy purchase requirement for those who live in a floodplain and hold a federally-backed mortgage.

- *Requiring the updating and modernizing of flood maps.* The bill requires FEMA to conduct a thorough review of the nation's flood maps. It also makes the updating and modernization of flood maps an ongoing process, and increases funding for mapping. In addition, it authorizes the Technical Mapping Advisory Council, made up of industry professionals, to advise FEMA on flood mapping.

- *Addressing some of the program's weaknesses exposed by the 2005 hurricane season.* Under the bill, small business owners will be eligible to purchase business interruption coverage at actuarial rates to better prepare them to meet payroll and other obligations during the next big storm. And, for the first time since 1994, the bill updates maximum insurance coverage limits for residential and nonresidential properties.

- *Improving consumer protections.* The bill clarifies the disclosures that must be made to consumers about flood insurance. It also requires "plain language" information on flood insurance policies. Landlords must notify tenants of contents' coverage availability. Further, the bill makes flood insurance effective immediately upon purchase of a home.

Congressman Rodriguez serves as a Member of the House Committee on Appropriations.

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